

AN ORDINANCE **96933**

AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO RATIFY THE PURCHASE OF MEDICAL PROFESSIONAL LIABILITY INSURANCE FOR THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT FROM LLOYDS OF LONDON THROUGH MCGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC., THE CITY'S BROKER OF RECORD, FOR A ONE-YEAR PERIOD BEGINNING NOVEMBER 15, 2002 THROUGH NOVEMBER 15, 2003 AT AN ESTIMATED ANNUAL COST OF \$162,750.00; APPROPRIATING FUNDS; PROVIDING FOR PAYMENT; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE UPON PASSAGE BY EIGHT (8) AFFIRMATIVE VOTES.

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WHEREAS, Medical Professional Liability Insurance provides protection for covered claims involving wrongful acts or the omission of acts alleged to have resulted in bodily injury or property damage, resulting from health care services provided by health care professionals with the San Antonio Metropolitan Health District; and

WHEREAS, since 1996, the City has purchased Medical Professional Liability Insurance for the physicians, dentists, nurses, laboratory technicians, case aids, professional staff, and the San Antonio Metropolitan Health District entity; and

WHEREAS, Medical Professional Liability Insurance has become nearly impossible to procure in Texas, and the increase in premiums is a direct result of these difficult market conditions and the limited capacity of many insurers; and

WHEREAS, through McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record, a competitive process, as well as marketing activities, were used to secure a provider of said insurance; and

WHEREAS, the Risk Management Division and the City's Broker of Record evaluated the proposals solicited for this type of coverage and recommend the purchase of such insurance from Lloyds of London with a premium of \$162,750.00, a policy limit of \$3,000,000.00, and a \$100,000 deductible; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, is hereby authorized to purchase from McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record, Medical Professional Liability Insurance from Lloyds of London for a one-year period, at a cost of

\$162,750.00. This insurance provides coverage to the City for covered claims involving wrongful acts or the omission of acts alleged to have resulted in bodily injury or property damage, resulting from health care services provided by health care professionals with the San Antonio Metropolitan Health District. The limit of liability under this policy is \$1,000,000 per loss event, with a maximum limit of \$3,000,000 for an annual period, and a \$100,000 deductible.

SECTION 2. Funds are hereby authorized to be encumbered and paid in the amount of \$162,750.00 for Medical Professional Liability Insurance for the San Antonio Metropolitan Health District from Lloyds of London through McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record, for a one-year period, beginning November 15, 2002 and ending November 15, 2003. Funds have been appropriated in the Insurance Reserve Fund (75-001), Activity Code 11-05-01, Index Code 500546.


SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance. The Director may, subject to concurrence by the City Manager, or her designee, correct allocation to specific Index Code and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 4. Due to the difficulty in securing coverage under current market conditions, and the importance of this insurance coverage, the City Council deems an emergency exists, making it necessary to the public health, safety and welfare to provide for an immediate effective date upon passage by eight (8) affirmative votes; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 19th day of December, 2002.


M A Y O R
EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
for City Attorney